

AIR SERVICE DEVELOPMENT RESPONSE

September 16, 2020 – December 31, 2020

Proposed to

State of Idaho

Intrastate Commercial Air Service Committee

By

Sixel LLC



September 2020

State of Idaho:

Sen. Dan Johnson
Rep. Caroline Nilsson Troy
Co-Chairs

Consultant:

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About Sixel, LLC

Sixel has been providing air service development, economic impact analysis and marketing support for airports throughout North America since 1998. Our particular area of expertise is small to mid-sized airports located in secondary market areas. We have been responsible for adding over 350 new routes at over 100 different airports. In fact, Sixel has experience with intrastate air service in Idaho, having put together a route from Sandpoint to Boise on Salmon Air and a route from Idaho Falls to Boise on Horizon Air. In addition, Sixel put together a successful SCASD proposal that funded intrastate air service between South Bend / Evansville and Indianapolis in Indiana. Sixel also put together the successful SCASD program that was awarded to Twin Falls for Denver service in 2020.



Scope of Work

1. Analysis of Idaho's Current Air Service, and Historical Intrastate Commercial Air Service
 - Analyze air service history in each community, with a focus on intrastate service.
2. Passenger Demand Assessment
 - Evaluate each significant population center in the state for travel demand to Boise, and beyond.
 - o Deliverable: Passenger Demand Study for each community
3. Market Potential, Suggested Intrastate Routes and Airlines
 - Develop a forecast of potential demand by utilizing historical data from Idaho communities, historical and current benchmarks throughout the country, and demographic characteristics.
 - Where appropriate, identify potential operators based on demand for each community, and as part of an overall consolidated portfolio. Identify which airports/markets can support economically viable service to Boise.
4. Air Service Comparisons
 - Identify peer markets that have seen success with intrastate air service, or short-haul trips from smaller markets
5. Air Service Development Best Practices for Idaho
 - Assess federal Small Community Air Service Development Fund applicability to supplement state and local investment. Provide a funding proposal for each community, based on overall local vs state impact for each airport analyzed.

Additional Services

Additional services may be requested that are not described above. Additional services may include but are not limited to:

- Contact air carriers identified to be viable candidates regarding their interest in a package of new markets, generally centered around Boise with a combination of local, state, and federal investment.
- Articulate to the Commission and community stakeholders how Minimum Revenue Guarantees and Capacity Purchase business models function to support new service.
- Work with the Committee and all stakeholders to negotiate air service minimum revenue guarantee contracts.
- Present monthly status updates to the Idaho Committee on Intrastate Air Service.
- Evaluate each carrier's aptitude for reliable and safe operations considering the terrain of Idaho, crew and spare aircraft commitments, and passenger perception.

Fees and Expenses

Sixel shall be paid **\$24,000** over the course of the agreement for the **Scope of Work** Projects listed above, which is equal to an estimated 160 hours at \$150 per hour.

Sixel shall be paid \$150 per hour for **Additional Services** listed above as requested but shall not exceed 40 hours for **Additional Services**.

Total not to exceed for **Scope of Work** and **Additional Services** of **\$30,000**.

Travel Expenses not included and to be billed at cost if requested.